



MILITARY AFFAIRS COMMISSION OPEN MEETING MINUTES

Tuesday, November 5th, 2013
Western Army Aviation Training Site
24641 E. Pinal Air Park Road, Marana, AZ 85653



Janice K. Brewer
GOVERNOR

Brig Gen Michael T. McGuire
THE ADJUTANT GENERAL

Meeting preamble: Introduction to the Western Army Aviation Training Site (WAATS) facility by Garrison Commander Lieutenant Colonel Greg Bush; a brief history, national scope and current operations of the WAATS was provided.

- I. Call to Order:** Co-Chair Lisa Atkins called the meeting to order at 10:14 a.m.
- II. Roll Call:** The following Commissioners were present who created a quorum:

Col (Ret) Thomas Finnegan, Co-Chair, Member with military expertise
Lisa Atkins- Co-Chair, Member with military affairs expertise
Lt. Gen. (Ret) Robert Johnston, Member with military affairs expertise
Mayor Rick Mueller, Local elected official
Michael Francis, Private property interests member
Priscilla Storm, Private property interests member
Mayor Alan Kreiger, Local elected official
Monsignor Richard O'Keeffe, Member with military affairs expertise, on telephone
Brig Gen Ted Maxwell, Assistant Adjutant General, Air National Guard, representing
The Adjutant General, Brig Gen Michael T. McGuire (Advisory)
Michael Werner, Bureau of Land Management, (Advisory)
Marjorie Becklund, Assistant Attorney General (Advisory)
Joseph Cuffari, Policy advisor to Governor Janice K. Brewer (Advisory)
John Burk, Senior Executive Officer, Department of Emergency & Military Affairs (Staff)

Excused members: Edward H. Duppstadt, Ramon O. Valadez, Brig Gen (Ret) Thomas Browning, Clint Hickman

III. Commission Business:

Co-Chair Lisa Atkins welcomed everyone and expressed thanks to Lieutenant Colonel Bush for hosting the meeting. Co-Chair Atkins recommended approval of minutes for the Commission's meeting on 24 September 2013

MOTION: Commissioner Francis

Second: Mayor Mueller

Motion approved 7-0

- a. Co-Chair Lisa Atkins reflected on the Commission's ten years in service to which she testified before the House Public Safety, Military, and Regulatory Affairs committee on October 29th as part the Commission's legislative sunset review; the House committee voted unanimously to extend the Commission another eight years which now advances as a bill to the full legislature during the next session that starts in January, 2014.
- b. Co-chair Atkins indicated that the House Committee did raise questions about proper disclosure for military land real-estate transactions. She will keep the Commission informed of further discovery on the topic as it relates to private property owners and disclosures required by law.
- c. Co-Chair Lisa Atkins advised that the Arizona State Land Department sought the Commission's support for a Department of Defense grant that would provide subject matter expertise to implement Proposition 119, Military land exchanges. The grant would support hiring one FTE employee for one year. Priscilla Storm indicated that the



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Commission's support should include multi-year support given the complexity and bureaucratic requirements of implementing the Proposition. There was a motion to move forward with a letter of support from the Commission to the Governor's office and the Legislature's leadership for Arizona State Land Department's grant application to the Department of Defense.

MOTION: Co-Chair Lisa Atkins motioned to provide a letter of support for Arizona State Land Department

Second: Mayor Mueller

Motion approved 7-0

MOTION: Commissioner Storm motioned to move into Executive Session

Second: Commissioner Francis

Motion approved 7-0

Public excused by Co-Chair Lisa Atkins at 10:24 a.m.

Executive Session: The Commission sought legal clarification of the Military Installation Fund rules as found in Arizona Administrative Code Title 8, Chapter 3 which was provided by Assistant Attorney General Marjorie Becklund.

IV. Military Installation Fund: Application Review and Decision

- a. The public session restarted at 10:41 a.m.
- b. John Burk read the criteria by which the Commissioners must make their decision pursuant to Arizona Administrative Code Title 8, Chapter 3, R8-3-111:
 - 1) The likelihood of the proposed project or the acquisition of private property to preserve and enhance the mission of a military installation, and
 - 2) The economic efficiency of applying the fund for the greatest protection or enhancement of a military installation.
- c. Mr. Burk explained that all supplemental information for the private property applications was included in the Commissioners' information packets. Mr. Burk also provided the Commissioners a spreadsheet with three options for the Commission to consider in their decision-making:
 - 1) A rank order of private property applications by raw score
 - 2) A rank order of private property applications prioritized by proximity to clear zones and accident potential zones
 - 3) A rank order of private property applications using a statewide approach that included every military installation (Ft. Huachuca, Davis-Monthan AFB, Gila Bend Auxiliary Airfield, Luke AFB, and Luke Auxiliary Airfield #1)
- d. Mayor Mueller asks question: "Our mission is for best use of funds by entire military. Spreading of allocations statewide may not be meeting the intent of best use."
- e. Co-Chair Lisa Atkins states Ft. Huachuca application has "?" in columns. Mr. Burk explains no data was available.



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Representative for Ft. Huachuca application stated that \$2 million is total requested amount with successful matching funds dedicated to acquiring the properties in the past.

Co-Chair Lisa Atkins asks, "Is that dollar for dollar matching?" Answer is "yes."

Commissioner Storm asks, "Is there a priority for the Ft. Huachuca parcels?"

Applicant representative states yes, those parcels closest to Ft. Huachuca are most important.

Commissioner Francis states acreage and parcel numbers are needed to determine priorities. Applicant representative provides priority parcels.

Mayor Mueller asks about zoning. "Is there a well on the property? Zoned for housing? This is important for long term future use." Applicant representative says yes.

Co-Chair Atkins states specific data for Ft. Huachuca parcels is needed which the Applicant representative researches with available maps and spreadsheets.

- f. Commissioner Storm reiterates that the Military Installation Fund has \$4 million for private property applications; appraisals are needed to determine price but that the Commission should use \$20,000 per acre as a statewide average to calculate how many applications can be considered within the Fund's limits. Co-Chair Finnegan concurs and says the Commission will use \$20,000/acre as an approximate statewide average for the purpose of calculating the applications' costs.
- g. Mr. Burk continues discussion and asks: "Will the Commission use a statewide allocation as a decision-making method for the Military Installation Fund?"

Mayor Krieger asks, "Explain statewide approach?" Mr. Burk states that the Commission could choose to apply the Military Installation Fund across the state by selecting one or two private property applicants from each installation as a way reduce encroachment and increase compatible use on all installations, not just one or two; the statewide approach would also take each installation's priorities into consideration.

MOTION: Commissioner Storm – use statewide allocation approach

Second: Mayor Mueller

Motion approved 7-0

- h. The Ft. Huachuca applicant's representative provided specific data on parcels for prioritization purposes.

Commissioner Francis asks, "What is the capacity of well?" Representative advises 500 gallons/minute well on priority 1 parcel number 106-03-001A; 200 gallon/minute well on priority 2 parcel number 109-47-016A.

Co-Chair Finnegan states, "Any water is valuable in that area."



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Co-Chair Lisa Atkins clarified priority /acreage of Ft. Huachuca parcels.

Mayor Mueller identifies wells as not in an "active management" area; explained license process and drilling restrictions along San Pedro River.

Commissioner Storm gives motion recommendation to priority 1 and 2 parcels for Ft. Huachuca application as well properties 106-03-001A at 508 acres and 109-47-016A at 396 acres.

MOTION: Commissioner Storm: recommend purchase of priority 1 and 2 parcels of Wystrach ALWT (Ft. Huachuca) application parcels 106-03-001A at 508 acres and 109-47-016A at 396 acres.

Second: Commissioner Francis
Motion approved 7-0

- i. Mr. Burk moves onto next installation and application: Davis-Monthan AFB and Rocking K Holdings LP with the explanation that the application includes community partners and many letters of support from Tucson and the installation and asks for a motion of consideration.

MOTION: Consider Rocking K application at Davis-Monthan AFB
Second: Mayor Krieger
Motion approved 7-0

Mayor Krieger asks about Pima County Open Land \$10 million bond fund.

Commissioner Storm advises that all such County bond funds have been expended.

Co-chair Lisa Atkins makes motion to advance the Rocking K application.

MOTION: Co-chair Atkins: recommend purchase of 33 acres, all parcels, of Rocking K Holdings LP application at Davis-Monthan AFB.

Second: Mayor Krieger
Motion approved 7-0

- j. Commissioner Francis makes motion to consider Ashby Land, LLC application at Luke AFB.

MOTION: Commissioner Francis: recommend purchase of Ashby Land, LLC at 54.1 acres, all parcels in application
Second: Commissioner Storm
Motion approved 7-0

- k. Commissioner Storm makes motion to consider Wittmann application at Luke Auxiliary Airfield #1; Mr. Burk advises that the applicant is willing to subdivide existing parcels so that the acreage that resides in the clear zone and accident potential zone #1 can be purchased separately.



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MOTION: Commissioner Storm: recommend purchase of Wittmann land of 27 acres in the clear zone and accidental potential zone only.

Second: Commissioner Francis

Motion approved 7-0

- l. Commissioner Storm makes motion to consider Primiano 1 application at Luke Auxiliary Airfield #1.

MOTION: Commissioner Storm: recommend purchase of Primiano 1 land, all parcels in application

Second: Commissioner Francis

Motion approved 7-0

- m. Mr. Burk directs next application review for Gila Bend Auxiliary Airfield and asks the Commission to consider length of ownership.

Commissioner Storm reviews length of ownership criteria and score. She states that the rationale of over 20 years should be considered long enough to weight the criteria favorably.

Co-Chair Atkins asks, "What about a purchase from 2007/2008?"

Commissioner Storm states the need to consider the legislative process to ensure appropriate disclosures for private property owners and that length of ownership remains a criterion to protect Military Installation Funds from being used by buyers who only purchase land at military installations to get compensated in turn by the State to make a profit.

Commissioner Storms recommends a motion to review the Galvez et al. properties.

MOTION: Commissioner Storm: review Galvez et al. application

Second: Commissioner Francis

Motion approved 7-0

Mayor Mueller asks, "What about the Community Mosque application?"

Commissioner Storm wants to understand the Galvez parcels first. She asks: "Is there a priority parcel?" Galvez applicant replies that there is no priority.

Commissioners discuss all parcels in Accident Potential Zone #1 and compare the Mosque parcels to the Galvez parcels and the structures they have on their land. A Community Mosque applicant representative is not present.

Commissioner Francis asks Ms. Galvez, "Will you accept Accident Potential zone acres only?"

The Galvez applicant representative states "yes," but is unsure of the acreage amount.

Commissioner Storm makes a motion to recommend purchase of portions of Galvez parcel in Accident Potential Zones #1 and #2.



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MOTION: Commissioner Storm: recommend purchase of portions of Galvez parcel in 40231003 that reside in accident potential zones #1 and #2 and the portion of parcel 402-32-002C that resides in accident potential zone #2.

Second: Co-Chair Finnegan

Motion approved 7-0

MOTION: Commissioner Storm: recommend purchase of development rights/conservation easement for Community Mosque application

No second

Motion disapproved

Co-Chair Finnegan asks is there a structure on the property? The answer is no; cannot build on such property due to Maricopa County military land restrictions.

Brig Gen Maxwell clarifies that developed land use for this zoned area cannot happen.

Commissioner Storm states that the Commission needs to work on getting the Military Installation Fund reinstated into the State's budget to accommodate future applicants, especially those that remain in clear zones and/or accidental potential zones. She asks that the motion be reviewed by The Adjutant General for development rights or conservation easement to support the Community Mosque property owner.

Co-Chair Lisa Atkins asks staff to contact the Community Mosque applicant and determine if purchase of development rights or a conservation easement would be acceptable.

Mayor Krieger states, "Why spend money on something that cannot change?"

Commissioner Storm explains remaining funds after appraisals should be considered for such private property that remains in the clear zones/accidental potential zones to ensure that the military installations are not encroached upon in perpetuity.

- n. MOTION: Commissioner Storm: review Galvez et al. parcels that remain in the Accident Potential Zones

Second: Mayor Krieger

Motion Approved 7-0

Co-Chair Finnegan states priority one is Accident Potential Zone #1 and priority two is Accidental Potential Zone #2.

Co-Chair Finnegan identifies that no other parcels are left in Accident Potential Zones #1 and #2 except some Galvez et al. parcels which are identified on the map.

MOTION: Commissioner Francis: recommend purchase of Galvez parcels 402-32-002D, 402-32-002F, and 402-32-002G that reside in Accident Potential Zone #2.

Second: Commissioner Storm

Motion approved 7-0



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- o. Commissioner Storm advises to consider the noise contours of Accident Potential Zones #1 and #2.

Commissioner Francis explains that flights do not always happen within the contour lines.

Candee Stout explains that her property which exists within the noise contours was built with a right hand turn out; now it is a left hand turn out. Brig Gen Maxwell concurs that pilots do not always follow the contour lines drawn on a map during takeoffs.

Commissioner Francis asks, "Is there a residence on Candee Stout's property?" Candee Stout says, "Yes."

MOTION: Commissioner Francis: recommend purchase of Candee Stout's parcel
Second: Co-Chair Finnegan (Brig Gen Maxwell agrees as advisor)
Motion approved 7-0

- p. Co-Chair Lisa Atkins reviewed the estimated total price of all properties recommended for purchase at \$6 million at \$20,000 per acre. Appraisal by a state approved appraiser will determine the asking price for the properties.

Mayor Mueller: the Commission needs to determine the priority of properties to be purchased given that the total estimated amount exceeds the \$4 million available in the Military Installation Fund.

MOTION: Commissioner Francis: priority of recommended purchases: 1) Ashby Land, LLC, 2) Rocking K Holdings LP, 3) Wystrach ALWT, 4) Wittmann, 5) Primiano 1, 6) Galvez et. al., 7) Candee Stout
Second: Mayor Mueller
Motion approved 7-0

Commissioner Storm advises that \$4 million may be enough to purchase all the priority parcels based on her appraisal knowledge. Actual appraisals will determine how many applications can be funded.

- q. Mr. Burk guides discussion to City/Town/County applications and reminds the Commission that they previously approved Pima County's application for \$800,000. City of Yuma's application is discussed next.

Mr. Burk asks, "Can committee vote on contingent matching grants?" Co-Chair Lisa Atkins advises, "Yes."

Assistant Attorney General Becklund advises, "Yes, nothing stating otherwise in regulation."

Commissioner Storm asks, "What is the study value to the military?"

Laurie Lineberry, Director, Department of Community Development from City of Yuma, provides the Commission with pictures and maps of the fairgrounds location relative to MCAS-Yuma; it is



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in the clear zone/accident potential zone #1. She and Mayor Krieger indicate that the City is willing to put \$102,000 towards the project in the City's next budget (which includes staff time/in-kind assistance) but such funds are not guaranteed. The State Fair Board leases the land from BLM and had not yet made a contribution to the study to move the fairgrounds to another location.

Commissioner Storm asks, "How many days is the land in use?" Ms. Lineberry replies 200 days per year.

MOTION: Commissioner Francis: Recommend \$200,000 be dedicated to City of Yuma's fairground study contingent upon securing equivalent matching funds from public and private sources that would fully fund the \$400,000 study.

Second: Mayor Mueller
Motion approved 7-0

Commissioner Storm has question and comment: put the study on future Commission agendas to get updates to see where the money is going. What would the risk be if they do not move? What about moving within the property?

Mayor Mueller expresses concern: 200 days with public use; we are asking for trouble with the property being in the crash/accident potential zone.

Brig Gen Maxwell reviews that 65% of the property is in accident potential zone #1. Moving the buildings/structures on the property may not be helpful.

Mayor Krieger continues, "Look at location; see the impact. Activity is occurring 200 days a year in the APZ 1." He describes map features and requests the Commission reconsider its support and commit \$200,000 without contingent funds.

MOTION: Amendment by Mayor Krieger to previous motion to commit \$200,000 to the study with no matching funds requirement.

Second: None
Motion disapproved

There was no discussion regarding the City of Tucson noise attenuation study application.

V. Call to the Public

Co-Chair Lisa Atkins asks for any public comments that had not already been addressed throughout the meeting. No public comments.

Commissioner Priscilla Storm asked who was present from private property owners. The Evans from Gila Bend and Candee Stout are acknowledged. She thanked them for attending and expressed hope that the Military Installation Fund would be restored so that future applications may be approved.

Co-Chair Lisa Atkins advised she will update the committee on the support for Arizona State Land Department and implementing Proposition 119. Also, the Goldwater Range renewal (10 years out) will be on the near term agenda along with an updated McGuire Study to prepare for the next round of Base Reduction and Closure (BRAC).



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Co-Chair Atkins asks about dates for the next meeting?

Mr. Burk states he will write the formal recommendation of the Commission to obtain The Adjutant General's approval for the decisions made today. He also advises that \$100,000 for titles/appraisals/land surveys to initiate advancement of the recommended parcels was approved in the Commission's previous meeting.

Commissioner Storm asks, "How long does the process take to get real estate transaction complete?" Mr. Burk states that the Administrative Code says nine months.

Co-Chair Finnegan states he has seen some take two years to complete.

Co-Chair Lisa Atkins advises that there will be no meetings through the end of the calendar year. She asks all to thank Mayor Krieger for his time as this is his last Commission meeting.

VI. Adjournment

Meeting adjourned at 12:49 p.m.